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12 April 1948

MEMORANDUM FOR Office of General Counsel

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Attn:

Mr. [REDACTED]

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From:

CSFD

Subject: Withholding Tax Accounts, 1944-45.

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1. Attached hereto is a report from Mr. [REDACTED] Chief of the Audit Section, Special Funds Division, on the subject of credit balances in Withholding Tax Accounts for 1944 and 1945 of the Strategic Services Unit. Inquiry is made as to whether your office has any legal objection to the following proposed action in connection with these balances in the Withholding Tax Accounts.

a. To adjust ascertainable errors in past accounting procedures to the extent that such adjustment will not require reopening of tax accounts of individuals.

b. Remittance to the Treasurer of the U. S. of the remaining balances of these accounts as miscellaneous collections.

2. The alternative to the above procedure would appear to be continued and further exhaustive and expensive auditing to determine the precise nature of these credit balances, together with referral of this matter to the Bureau of Internal Revenue in the event that they may wish to reopen the accounts of individuals concerned.

3. It is believed that the Bureau of Internal Revenue would not wish to reopen these accounts in view of the time lapsed, and, secondly, that such reopening would involve cost to the U.S. Government far in excess of any additional collections which might be collected from individuals.

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